

A Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

Management Control Systems for Diversity Management

Conceptual Development of an Integrated Diversity Scorecard

Franziska Hehl

Work project carried out under the supervision of:

Marta Almeida

04-01-2021

Abstract

Leveraged by societal and political discussions as well as legal regulations, organizations are increasingly focusing on diversity. The current literature discusses, inter alia, the Balanced Scorecard as a management control system for diversity management. The present research performed an analysis of the diversity reporting of European organizations and conducted expert interviews to gather information about current diversity management practices in organizations. The results are processed in the modelling of an Integrated Diversity Scorecard, based on the traditional Balanced Scorecard approach. Thus, this research provides a newly designed management control system for diversity management which can further be validated in practice.

Acknowledgements

First of all, I would like to thank my supervisor, Marta Almeida, for her valuable input and throughout the process of this work project. Further, I would like to thank all interview partners for sharing their experience and knowledge. The conversations were cheerful and inspiring and made an important contribution to this research. Lastly, I would like to thank my family and my friends for their infinite support and encouragement.

Keywords

Management Control Systems, Diversity Management, Diversity and Inclusion, Balanced Scorecard, Gender Diversity, Diversity Controlling, Diversity Reporting, CSR Reporting, Integrated Reporting, Strategic Controlling

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

Table of Contents

Abstract	1
Acknowledgements	1
Table of Contents	2
1. Introduction	3
1.1 Context and Relevance of the Research	3
1.2 Aim and Objectives	4
1.3 Research Structure and Approach	4
2. Literature Review	5
2.1 Diversity Management	5
2.2 Diversity Management in Management Control Systems	7
2.3 Theoretical Framework: Methodology of the Balanced Scorecard	8
2.3.1 Gender Balanced Scorecard (Wijk 2007)	9
2.3.2 Diversity Scorecard (Hubbard 2004)	10
2.3.3 Open Balanced Scorecard (Hermann-Pillath 2009)	11
2.4 Summary	12
3. Research Methods	12
3.1 Research Methodology	13
3.2 Research Design	13
3.3 Sample and Data Collection	14
3.4 Research Analysis	15
4. Data Analysis and Results	16
4.1 Analysis Diversity Reporting	16
4.2 Analysis Expert Interviews	18
4.3 Conceptual Model: Integrated Diversity Scorecard	20
5. Conclusion	23
6. Limitations and Recommendations for Further Research	24
References	26
List of Abbreviations	29
Appendices	30

1. Introduction

1.1 Context and Relevance of the Research

There are several forces, events, and movements in society that currently trigger the discussion about diversity (e.g. gender, nationality, religion, sexual orientation). An example is the Black Lives Matter movement in the USA which experienced a recent peak in May 2020 and spread discussion about racism around the globe. This event did not only provoke protests and political debates but also sparked anti-racism and diversity responses from businesses in the form of published anti-racism statements, donations, and pledges to change their internal organization (Feintzeig 2020). On the one hand, these actions have been perceived as supportive but, on the other hand, have risen the question of hypocrisy (Duarte 2020). To avoid such accusations of hypocrisy, companies are encouraged to conduct an honest and transparent audit, publish the results (Feintzeig 2020; Pedulla 2020) and, moreover, set objectives and targets which are attached to the manager's performance goals to ensure accountability (Jain-Link, Taylor Kennedy and Bourgeois 2020). The Balanced Scorecard (BSC) is a Management Control System (MCS) that was explicitly designed to comply with the requirements of a successful strategy implementation and integration of non-financial performance indicators (Kaplan and Norton 2001). This instrument has already been adapted and further advanced to a Gender Balanced Scorecard (Wijk 2007), to a Diversity Scorecard (Hubbard 2004), and an Open Balanced Scorecard (Hermann-Pillath 2009). The present work project critically reviews the existing literature on the topic and collects data to evaluate the applicability of the BSC as a MCS for Diversity Management (DM) leading to the modeling of a newly designed management control system for DM – the Integrated Diversity Scorecard.

1.2 Aim and Objectives

The overall purpose of this work project is an evidence-based conceptual model of an Integrated Diversity Scorecard (IDS) based on the traditional BSC methodology. Throughout this research the following objectives are being pursued:

Objective 1: Critical review of literature's perspective on the application of MCS in DM

Objective 2: Usage of primary and secondary data to evaluate the relevance of DM and the applicability of the BSC as a MCS for DM

Objective 4: Evidence-based recommendations for the design of an IDS

This research provides an added value to the literature as well as to organizations by reviewing the existing practices from a theoretical and practical perspective as well as providing a set of practice-oriented recommendations. Thereby, the preliminary research on the further development of the BSC, which is presented in chapter 2, gets updated with the prevailing methodologies and practices from organizations. Furthermore, this work project focuses on the realistic depiction of the status quo of diversity reporting in organizations and ready-to-use recommendations with a high acceptance probability and low implementation implications in organizations.

1.3 Research Structure and Approach

The present work project is structured as followed. Chapter 1 introduces the relevance of DM in a business context and connects the organizations' MCS and reporting to the topic. Further, the aim and objectives of the research are illustrated. Chapter 2 provides a critical review of the existing literature on the theoretical concepts of DM and diversity controlling, as well as a review of the methodology of the BSC and its applicability for a diversity MCS. This chapter aims to identify the research gap upon which Chapter 3 is based on. Chapter 3 presents the

research questions and specifies the applied research methodology. In chapter 4, the EUROSTOXX50 companies are analyzed regarding their current diversity reporting. Further, a qualitative analysis in form of expert interviews is performed to get a practical perspective concerning the relevance of the topic, current DM practices, and performance measures and the evaluation of the BSC as a tool for DM. The results of these two preceding parts are connected to outline propositions for the design of an IDS. Lastly, chapter 5 gives a conclusion and chapter 6 discusses the limitations and gives recommendations for further research.

2. Literature Review

The following chapter introduces the topic of DM starting with the focus on the relevance of DM and the definition of terms. It further investigates current recommendations for measures in DM and illustrates propositions for the application of the BSC approach for DM.

2.1 Diversity Management

Over the last decades, there was a trending shift in the focus of performance evaluation of organizations towards non-financial key performance indicators (KPIs) regarding the environmental, social, and governance (ESG) impact which can be traced back to societal expectations (Baldini, et al. 2018). This movement was further driven in 2015 with the release of the Sustainable Development Goals (SDG) by the United Nations which represent a call for action and provide precise objectives under the 2030 Agenda for Sustainable Development (United Nations n.d.). Moreover, the recent Deloitte Millennial Survey (2019) discovered that Generation Z is particularly choosing their employer by standards concerning sustainability which puts organizations under pressure to address these topics. Within the social aspects of these progressions, the relevance of DM has been increasing as a response to economical, legal,

and social changes such as globalization, emancipation, and demographic aging (Amstutz and Müller 2013). Organizations are reacting with diversity strategies and initiatives and are advancing functions regarding DM.

DM describes an organizational culture that acknowledges personnel diversity as an opportunity and incorporates diversity on different levels, starting from strategy, human resource functionalities, and, on an individual level, leadership competencies (Müller and Sander 2005). Further, DM is seen as an interdisciplinary approach across all business units of an organization (Arredondo 1996). Ultimately, DM aims to increase the advantages of diversity and to minimize its disadvantages (Cox 1993). In the scope of DM, diversity is mostly characterized by the dimensions gender, ethnicity, age, sexual orientation as well as physical and mental abilities (Gardenswartz and Rowe 2010). These dimensions are congruent with the primary dimension of the “Diversity Wheel” and are called the “interlocking segments” which are the core of our human identity and are most evident at first sight (Loden 1996). The primary dimension includes less visible characteristics such as income, marital status, and education (Loden 1996). In a broader concept, the theory of the “Diversity Wheel” has been further developed and two additional layers were added. “The four layers of diversity”-concept by Gardenswartz and Rowe (2010) sees the personality as the core dimension. However, this concept is too diverse and individual for an organizational context so that the original core dimension with five social categories “gender, age, ethnicity, sexual orientation as well as mental and physical abilities” prevails as the focus in DM (Pless and Maak 2004).

The advantages and disadvantages of diversity in organizations have been comprehensively discussed in the literature. Noting, for instance, a positive relationship between gender and race diversity with improved financial performance such as sales revenue and profits (Herring 2009) (McKinsey & Company 2015). Further, diversity increases creativity and innovation which provides the basis for competitive advantage (Basset-Jones 2005). Through a better

understanding of customers, diverse organizations are able to obtain higher employee morale strengthening job satisfaction and employee loyalty (Sania, Kalpina and Javed 2015). However, research also disclosed limitations of the effect of gender diversity depending on the level of supportiveness in the organizational environment (Dwyer, Richard and Chadwick 2003) and a general contingency of the positive effects of DM depending on the organizational context (Bleijenbergh, Peters and Poutsma 2010). Further, the described effects can only be measured with difficulty, hence, the business case for diversity is often facing doubts and criticism (Kochan, et al. 2003).

2.2 Diversity Management in Management Control Systems

Even though the relevance of DM is increasing due to political, societal, cultural, and economic changes, in an organizational context, its implementation and the consequential investments need to be justified by quantifying the effects of diversity management (Robinson and Dechant 1997). Further, the effectiveness of DM is directly linked to the measurements of DM efforts. Therefore, to ensure the accountability and monitor the outcomes, MCS need to be put in place (Dobbin and Kalev 2016). Supporting this recommendation, research conducted by Motel (2016) shows a positive correlation between the reporting of diversity goals within the scope of Corporate Social Responsibility reporting and an increase in diversity in the respective company. However, Wittbom (2015) states a discrepancy between the purposes of gender diversity and MCS since MCS require quantifiable information whereas gender DM mostly delivers qualitative results in the form of behavioral transformation.

For the general design of MCS for DM, literature provides the following information. Organizations are advised to report rather marginal and specific KPIs than generic KPIs (Wullert, Gilmartin and Simard 2019). This recommendation is supported by the research of Apfelbaum, Stephens and Reagan (2016) which states that a “One-size-fits-all” approach for

DM is not as effective since subsequent marginalized groups are disregarded with respect to larger groups e.g. initiatives for women, in general, are mostly helping white women at the cost of women of color. Contradicting this argument, the article by Carstensa and De Kock (2017) addresses the requirement of diversity measurements on a firm level.

2.3 Theoretical Framework: Methodology of the Balanced Scorecard

The purpose of the following chapter is to review and illustrate the methodology of the BSC and show the current developments of the BSC methodology as an instrument of DM.

Traditional financial performance measures have been the standard during the industrial era but they do no longer meet the demands for the successful management of a company in today's challenges (Kaplan and Norton 1992). The BSC, developed by Kaplan and Norton (1992), is a strategic performance management tool which derives financial and non-financial measures from strategic objectives within four dimensions "Learning and Growth", "Internal Business Processes", "Customer" and "Financial" (Kaplan and Norton 1992). The MCS based on BSC thereby defines concrete actions to achieve the desired objectives surrounding the companies' mission and vision regarding not only the shareholder perspective but also the external perspective of the customer as well as the internal potentials within the dimensions "Learning and Growth" and "Internal Business Processes".

The steps for an organization that are required to design a BSC start by defining strategic goals related to the four perspectives of the BSC. This results in a strategy map in which the objectives are linked through a cause-effect relationship within and across the four perspectives. For each objective, several measures are defined, the targets for the respective measures are set and initiatives are specified to achieve the objectives. The hierarchy or structure of the four dimensions is thereby not fixed to a specific design and should be adjusted to the organizations' priorities, matching their individual strategy (Kaplan and Norton 2001). Further, the objectives

are leading to a specific target setting and planning of initiatives to achieve the set goals (Kaplan and Norton 1996). The BSC is not only a tool for performance measurement but also a communication tool that translates the organization's strategy to all management levels by cascading the objectives and aligning the individual performance to the organizational targets (Kaplan and Norton 2001). Therefore, all employees are included and their contribution to the realization of the organizations' strategy is transparently tracked.

As the BSC is a well-established strategic management tool, there have been further considerations in literature to apply the instrument in DM which are illustrated in the following subsections.

2.3.1 Gender Balanced Scorecard (Wijk 2007)

In response to the EU regulations about gender mainstreaming, which is a holistic gender equality policy approach considering effects on gender equality in all societal and political decisions (Abels and Mushaben 2012), Wijk (2007) developed the Gender Balanced Scorecard to provide a long-term instrument that supports individual organizations with gender diversity goals. Wijk (2007) argues in favor of the BSC as a DM instrument concerning the high acceptance and characterization as a long-term strategic management tool that can achieve significant structural change. The methodology and procedure of the traditional BSC approach remain the same, but Wijk (2007, 487) presents the following options for the specific design of the Gender Balanced Scorecard:

1. "specific gender measures to the traditional BSC
2. adding a fifth gender mainstreaming perspective
3. developing a number of new perspectives or
4. combination of using the traditional perspectives and add specific gender measures and add one or more additional perspectives to the scorecard."

“Optional additional perspectives can include: organizational culture, community, leadership commitment, and workforce profile” (Wijk 2007, 487).

Primary research on the acceptability and applicability of the Gender Balanced Scorecard found that the organizations were at that time not likely to implement the instrument in any form (Wijk 2007). Wijk (2007) conducted expert interviews from the industry to validate the different options of the concept. The interview partners named the complexity of the design, bad economic situation, measurement of intangible assets as well as the resistance to cultural change as the biggest obstacles and stated a low probability of a practicable application of the Gender Balanced Scorecard at that time.

2.3.2 Diversity Scorecard (Hubbard 2004)

The Diversity Scorecard (DSC) by Hubbard (2004) is another application of the traditional BSC approach but unlike the Gender Diversity Scorecard by Wijk (2007), it broadens the methodology to all dimensions of diversity. The development process of the Diversity Scorecard is the same as for the traditional BSC. However, Hubbard (2004) replaced the original perspectives with six new perspectives customized to DM. The specific design of the DSC varies depending on the organization’s individual diversity strategy but should follow the following format of perspectives:

- **Financial impact:** Shows the long-term results in financial performance measures such as growth and profitability; traditional management control in form of financial measures and key ratios
- **Diverse customer/community partnership:** Based on the assumption that organizations are currently missing business opportunities by neglecting the diversity factor of their customers and standardizing their general advertising, product, and service; defines expectations of diverse customers, how the expectations can be met, and the customer’s willingness to pay.

- **Workforce profile:** Depicts the performance of HR functions such as employee recruiting, selection, and retention with regards to the objective to establish a diverse work environment
- **Workplace climate/culture:** Reflects the effects on job satisfaction and employee performance based on efforts to create a diverse and inclusive organizational culture
- **Diversity leadership commitment:** Leadership as the first requirement for a diversity change initiative; measuring the degree to which the organization's leaders are applying diversity effort through demonstrated actions and behaviors
- **Learning and growth:** Builds the basis for all other perspectives of the DSC as it reflects the competencies and capabilities of the workforce regarding diversity and inclusion

2.3.3 Open Balanced Scorecard (Hermann-Pillath 2009)

The Open Balanced Scorecard (OBSC) approach by Hermann-Pillath is a direct reflection and assessment of the Diversity Scorecard by Hubbard (2004). Hermann-Pillath (2009) states that the solemn measurement of diversity is not sufficient and that the process of the development of the BSC is the critical point where diversity already needs to be considered. The OBSC consists of the same four perspectives as the traditional BSC. However, contradicting the traditional BSC methodology, the OBSC suggests a disruption of the process of strategy development. Rather than predefining the strategic objectives and cascading them downwards, a parallel bottom-up process in the individual functional units for the definition of strategy is implemented. Thereby, diverse groups are the main players in this dynamic process (Hermann-Pillath 2009). These diverse focus groups or councils are composed under the premise of "stakeholder inclusiveness" (e.g. shareholder council for financial perspective, customer focus group for customer perspective, supplier council for internal process perspective, and student focus group for learning & growth). The DSC (Hubbard 2004) can thereby serve as an

additional instrument that supports the development of the OBSC but is not perceived as the primary management control system.

2.4 Summary

Diversity has been a focus topic in society, politics, and business over the last years and is evermore present in recent discussions. DM is a discipline adopted by organizations that see diversity as a driver for business. In order to measure the impact of diversity initiatives and increasing expectancy of accountability to stakeholders, management control systems need to be set into place. The BSC has been investigated as a management control instrument for DM. The Gender Balanced Scorecard by Wijk (2007) has identified a lack of commitment of management and businesses for the topic. The Diversity Scorecard by Hubbard (2004) extended the traditional approach of the BSC and introduced new perspectives to the methodology including internal and external diversity as well as no limitation to the diversity dimensions. This approach has been critically reviewed by Hermann-Pillath (2009) who suggested a broader concept. No further discussions, research studies, or practical application examples of the introduced transformations of the BSC as a MCS for DM were been found in academic databases. The present work project, therefore, aims to depict a more recent view on the topic examining the status quo of diversity reporting and gathering primary data to develop an IDS.

3. Research Methods

The following chapter illustrates the specific details for the underlying research methodology, the research design, the methods for data sampling as well as the approach for analyzing the data to answer the following research questions (RQ):

RQ1: What is the current relevance of DM in organizations?

RQ2: What are current performance measures in DM?

RQ3: How can the methodology of the BSC be used as a MCS for DM?

3.1 Research Methodology

The present work project is based on an inductive research approach which explores actions, opinions and, perceptions and, build on the respective results, develops a theory (Bryman and Bell 2011), which in this case is the model of the development of the BSC as an MCS for DM. As the literature review shows, the topicality and applicability of the further developments of the BSC as a MCS for DM are questionable and no further discussions, verification, or evidence of practical applications of the models were found.

3.2 Research Design

The research was conducted with two different research approaches to gain a holistic view on current practices in organizations concerning DM strategies, initiatives, and measures as well as opinions on the applicability and modification of the BSC for DM:

Analysis Diversity Reporting

Although the relevance and necessity of diversity measures have been extensively discussed in literature, the Ashridge survey by Holton (2005) states that diversity reporting is still in an early stage and diversity KPIs are only found infrequently and have a strong focus on gender diversity. Since the findings of this research might no longer sustain 15 years after the publication, a content analysis of the published reports from the listed companies in the EUROSTOXX50 was performed. An evaluation sheet (see Appendix 1) has been designed in order to quantify the qualitative data. This analysis has two objectives: First, to analyze the relevance and status quo of DM (RQ1), and second, to get insights about the applied measures

and key performance indicators in the scope of DM (RQ2). The evaluation sheet was thereby divided into three parts – diversity strategy, diversity initiatives, and diversity reporting – to cover the analog steps in the development of the traditional BSC approach. The diversity dimensions (e.g. age, gender, sexual orientation) and diversity perspectives (e.g. customer, supplier) were integrated into the evaluation sheet. Thus, the results of these analyses can further be applied to design the practical recommendations for the design of an IDS. Regarding the diversity dimension, a focus on the five social categories “gender, age, ethnicity, sexual orientation and identification as well as mental and physical abilities” was chosen due to the findings in the literature review.

Expert Interviews

A qualitative approach in form of expert interviews was conducted with the aim to gain insights about the current relevance of DM (RQ1) of the status quo of MCS in DM (RQ2) and input for the design of a BSC approach for DM (RQ3). In comparison to the quantitative approach, qualitative interviews provide more flexible exploratory data (Rowley 2012). The literature review, the analysis of the diversity reporting as well as the theory on the traditional method of the BSC were used to develop a guide for semi-structured interviews (see Appendix 2). Open-ended neutral questions were chosen to gain in-depth insights from the interviewees (Rowley 2012).

3.3 Sample and Data Collection

Analysis Diversity Reporting

As both analyses are confined to the European market, the EUROSTOXX50 companies were chosen for the analysis of the diversity reporting. The companies were analyzed by reviewing the published information on their website including published reports with a focus on specific diversity reports (if any), corporate social responsibility reports, integrated reports, and annual

reports. The screening of the companies was performed in a specific order, starting with a general keyword search on the website with keywords related to DM (e.g. diversity management, inclusion, gender, SDG, ESG, CSR, people, culture). Further, the published reports were examined with a similar keyword search. The qualitative information was turned into descriptive quantitative information by using the evaluation sheet (see Appendix 1).

Expert Interviews

Primary data was collected in form of expert interviews. The interviewees were chosen according to their work expertise in DM and /or Management Accounting / Controlling. The focus of the questions per interview was chosen according to the field of the respective interviewee (e.g. focus on DM for DM roles, focus on performance measures, and BSC for Financial Accounting roles). The durations of the interviews were approximately 30 minutes. The interview format was video call via Microsoft Office Teams or phone call since all interviews were scheduled in December 2020 and COVID-19 regulations did not allow meetings in person. The table attached in Appendix 4 gives an overview of the conducted interview with anonymized information of the interview partners (IP).

3.4 Research Analysis

Analysis Diversity Reporting

The qualitative information was turned into quantitative data and a descriptive analysis based on the recordings according to the evaluation template regarding the three pillars of the BSC “strategy”, “initiatives” and “reporting” was performed which illustrated the frequencies and proportions. Focus topics regarding the diversity dimension and perspective in diversity strategies and initiatives were identified. Moreover, all published KPIs including the frequencies were listed which will be further used in the development of the IDS.

Expert Interviews

The recordings of the interviews were transcribed in full and as accurate as possible with the online software “Amberscript”. Further, a thematic analysis of the interviews was conducted. The transcripts were organized with the online data analysis software “consider.ly” which facilitates a qualitative analysis by highlighting respective sections in the transcribed interviews with colored tags that can be further grouped into themes (see Appendix 3). Lastly, the data was interpreted and discussed. At this point, it must be noted, that six of the seven interviews were conducted and transcribed in German. However, research studies show, that the translation has no significant effect on the results (Klein-Ellinghaus, Ernst and Makarova 2016).

4. Data Analysis and Results

4.1 Analysis Diversity Reporting

The analysis of the diversity reporting of the EUROSTOXX50 companies is divided into three parts which are congruent to the three elements of the BSC development: strategy, initiatives, and performance measures. Thereby, a direct connection from the status quo of DM and diversity reporting to the theoretical framework can be drawn which is further applied in the modelling of the IDS. The results of the analysis are illustrated in the following chapter and associated with the previously stated research questions.

Regarding the organizations’ **diversity strategies and initiatives**, the following results were found: 49 out of 50 companies are communicating diversity strategies. This shows a high strategic relevance of the topic. Further, 47 out of 50 companies are presenting corresponding diversity initiatives. Concerning the diversity strategy, the distribution among the diversity dimensions shows a high frequency of generally formulated strategies. All dimensions are

approximately equally distributed (see Appendix 6). The distribution among the diversity dimensions regarding the diversity initiatives shows a significant concentration on the dimension gender, followed by generally stated initiatives and sexual identification / orientation (see Appendix 7). The internal perspective is thereby the focus of the majority of the companies. The external perspective regarding customers, suppliers, communities, and shareholders is rarely stated (see Appendix 8).

The analysis of the **diversity performance measures** gives the following output: There is a significant focus on the reporting of KPIs regarding gender diversity (see Appendix 9). Further, there is an indicative consideration on the dimensions age and nationality / culture / ethnicity (see Appendix 9). A comprehensive list of all stated diversity performance measures including their frequency can be found in Appendix 10. Moreover, only three of the 50 companies publish an independent diversity report. All other companies state their diversity performance measure in their annual report, CSR report, or on their website within the HR or separate diversity & inclusion section.

In conclusion, the analysis of the EUROSTOXX50 diversity reporting shows a high relevance of the topic based on the extensive publication of diversity strategies and initiatives. Although the distribution among the diversity dimensions on a strategic level is rather balanced, this observation does not replicate in the reporting of diversity performance measures where a significant tendency towards the dimensions gender, age, and nationality / culture / ethnicity are shown. Furthermore, there is a notable focus on the internal diversity of the workforce in contrast to the external diversity regarding all three pillars. These findings as well as the compilation of the found diversity performance measures are subsequently incorporated in the modeling of the IDS.

4.2 Analysis Expert Interviews

This chapter analyzes the transcripts of interviews in relation to the research questions. In the following, the interview partners' quotes will be stated with the acronym IP for Interview Partner and the number 1-7 according to their chronological order. Overall, several themes have occurred in the scope of coding the interviews regarding the topics: diversity dimensions, diversity perspectives, DM, IDS modeling whereby an overlap between the topics was possible (see Appendix 3).

Regarding the strategic relevance of DM, the interview partners describe an “existential” (IP6) need for diversity strategies stating “legal requirements for the publication of quotas” (IP1, IP3) and “shareholder and stakeholder expectations” (IP6) as driving factors. Specifically, “recent discussions of the Black Lives Matter movement” and “demands from millennials and future generations (IP7) were mentioned. Concerning the future relevance of the topic, all interview partners declared an increase in importance. However, IP2 and IP6 express optimism of a diminishing relevance of the DM function in the long-term due to the “adaption of the mentality towards diversity and inclusion” (IP2). The critical factors identified by interviewees for the successful implementation of diversity strategies are “the right people in the respective positions” (IP5, IP6), the “analysis of companies’ historical development” (IP5), the “reflection on employees, customers and consumers in leadership” (IP5), the “change in mindset” (IP1), the “active integration of affected people” (IP1), “a respective leadership mindset” (IP7), “raising awareness for the topic” (IP5) and the “quantification of results” (IP2). The interview partners regard gender as a focus topic due to the “size of the minority” (IP1, IP2, IP6) as well as the “tangibility” (IP1) of the dimension. But there is a trend towards the extension which entails the dimensions “gender, national identity/ethnicity/race, disability, generations and LGBTQ+” (IP5). This centralization is also reflected in the mentioned diversity initiatives which were “Inclusion and Diversity Council” (IP5), “women networks” (IP6), “mentoring

across generations” (IP1), and a “rainbow network” (IP5). Further, the interview partners were focused on the internal diversity of the organization.

The interview partners see the BSC as an adequate instrument to “assess the status quo” (IP3) and “use it as a benchmark” (IP3). Regarding the general requirements for a MCS for diversity, they stated the necessity for an “instrument with low complexity” (IP2), the transparency about “the cause-effect relationship of diversity strategies on financial improvements” (IP2), the “parallelism of a culture change” (IP3) and the “identification of specific weak points” (IP6). The modification of the BSC thereby needs to “ensure the integration of diversity objectives” (IP1), the “integration of diversity in the existing methodology rather than a new perspective to avoid a separation effect” (IP1), and “the number of KPIs should be limited to specifically derived objectives” (IP2). Equally to the report analysis, the KPIs mentioned by interview partners had a strong focus on gender diversity and women in leadership positions. IP1 and IP7 strongly recommend an integrated report into existing financial and non-financial reporting preferred to a parallel reporting of DM.

Interview partners disclosed challenges across multiple themes: “The definition of the gender dimension as well as sexual orientation and identity is challenging due to the current societal discussions” (IP5) as well as the “explicit terminology about race, ethnicity and national identity rather than the broad term internationalization” (IP5). Further, the “complexity of the organization and business model complicates the definition of KPIs” (IP4, IP5), and “integration of the value chain is difficult” (IP4). However, the main challenges were seen within the topic of data management, the “sharing of internal information is a sensitive issue” (IP5). “The systemic master data of diversity measures under data security regulations is not given” (IP1) and “the data availability for other dimensions besides age and gender is low” (IP1). However, “HR plays a major role” (IP7) in the collection of diversity data. One possibility to gather data is “self-identification with employee surveys” (IP5) which is based on

“voluntary action” (IP6) which has “received a great response rate” (IP6). However, there is also the possibility of a “bias if, for example, the proportion of men is rather high in the responses of the survey” (IP6) and thereby might depict a distorted view on gender diversity. In conclusion, the analysis of the expert interviews confirms the strategic relevance of diversity and the concentration on the focus dimensions as seen in the analysis of the diversity reporting. The methodology of the BSC meets the requirements of a MCS which tracks a cause-effect relationship and an instrument that communicates and fosters organizational culture change. However, IPs draw attention to the need of respecting the specifications of the BSC methodology with low complexity, focus on specific KPIs. and ensured integration of diversity objectives.

4.3 Conceptual Model: Integrated Diversity Scorecard

In the following chapter, the results from the analysis of diversity reports and expert interviews are put into practice and the model for the IDS is developed. Contradicting to previous approaches stated in the literature review, this model stands out due to the evidence-based approach. Furthermore, the self-developed IDS is an advanced MCS for DM with a strong focus on practicability for current DM practices in organizations.

Similar to the Gender Balanced Scorecard by Wijk (2007), there are the following options for the adaption of the traditional BSC approach for the design of the IDS:

1. Integrating Diversity KPIs in traditional four perspectives
2. Adding fifth dimension: Diversity
3. Developing new perspectives and replacing existing ones
4. Combine the traditional perspectives with new perspectives

The results from the expert interviews suggest a rather lean approach to avert complexity and argue for an integrated reporting approach to avoid the separation of the diversity topic from other non-financial and financial performance measures. This speaks in favor of the first option, the integration of diversity KPIs in the existing dimensions. Since the Learning & Growth perspective entails human resources and organization resources (besides information resource) (R. S. Kaplan 2010), this is the most suitable perspective to include diversity as the current focus is on internal diversity as the diversity report analysis illustrated.

With the results from the analysis of the diversity reporting and the expert interviews, a model company can be constructed and depicted, which is further used as a baseline for the modeling of the IDS. The features and characteristics of this model company are:

- Mission, vision, and strategy generally promoting diversity and inclusion
- Strategic objectives regarding focus groups of diversity and inclusion: gender, age, culture / nationality, sexual orientation / identification, disabilities

The determination of the addressed diversity dimensions is thereby based on the findings in the literature review which refer to the primary dimension of the Diversity Wheel as well as the results of the diversity reporting analysis.

Identical to the traditional BSC approach, the objectives are derived and KPIs and targets are defined. As stated above, the diversity KPIs are integrated into the perspective Learning & Growth. However, to ensure higher transparency of diversity objectives and depict a more holistic view on the cause-effect relationship of diversity performance an extension of the Learning & Growth perspective can be added if the individual data availability and complexity of the organization is given. The used data can thereby also be gathered via employee surveys as the expert interviews suggested. Figure 1 shows the model of the IDS with the diversity and inclusion extension illustrating the strategic map as well as the final design of the IDS with exemplary KPIs based on the existing KPIs found in the diversity report analysis. The model

thereby incorporates the five focus diversity dimensions which were identified in the preliminary analyses.

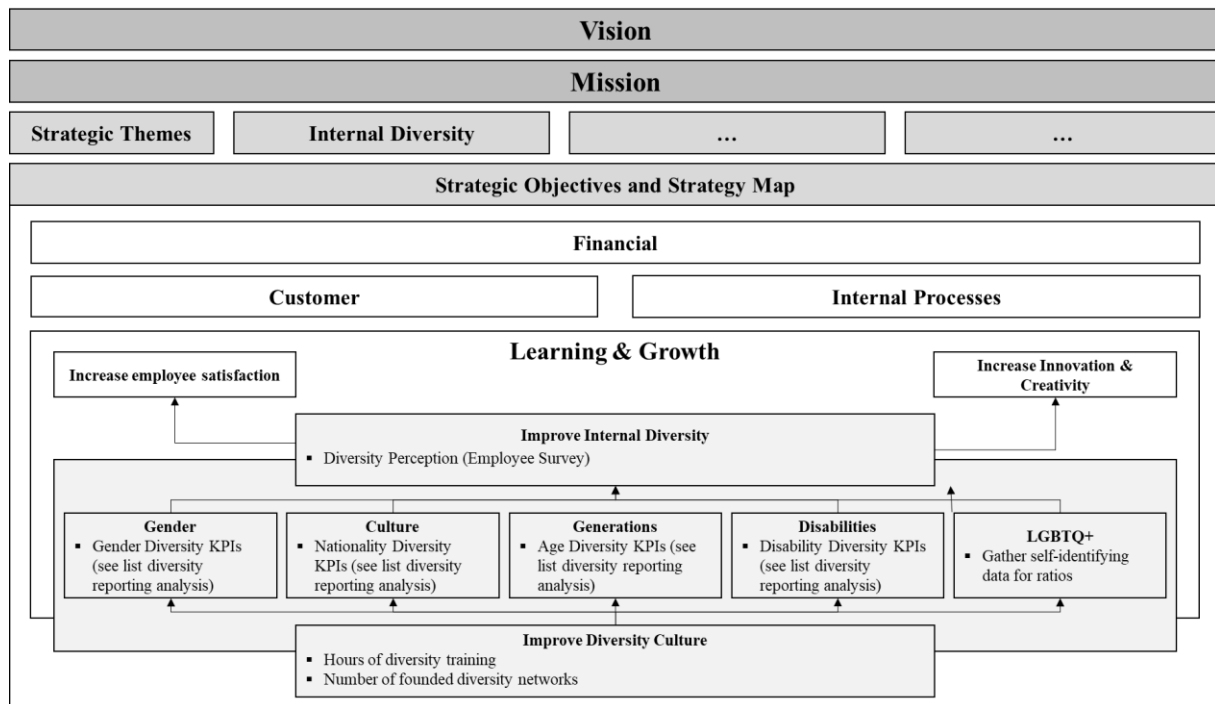


Figure 1: Model Integrated Diversity Scorecard

The overall objective to “improve internal diversity” is connected to a cause-effect-relationship to the performance measures in the individual diversity dimensions. The improvement of internal diversity can be measured with an internal employee survey regarding the diversity perception. Suggestions for specific diversity KPIs per diversity dimension can be found in Appendix 10. However, ratios are the most frequently applied measures. Moreover, these objectives are linked to the improvement of the diversity culture which can be tracked for example with hours of diversity training or number of founded networks. Further, the cause-effect-relationship of the entire diversity extension can be drawn to other objectives within the Learning & Growth perspective as well as objectives within the other perspectives. This design of the IDS thereby fulfills the current necessity for diversity in MCS with an independent but integrated component in the BSC.

Same as in the OBSC approach by Hermann-Pillath (2009), the development of the IDS should include the participation of diverse teams, as the results from the expert interviews also indicate an active integration of affected employees. The traditional methodology of the BSC as a communication tool and the cascading of the objectives must be maintained since the critical success factors stated in the expert interviews also included an increase of awareness, accountability, and a change in mindset.

5. Conclusion

The overall aim of this work project was to develop an evidence-based conceptual model of an IDS based on the traditional BSC methodology. The literature showed a significant relevance of the topic and provided general guidelines for the reporting of DM performance measures. Moreover, three advancements of the traditional BSC approach in the scope of DM were found. However, the research on those advancements was limited as they were no further investigated and verified in literature and no practical application is evident. The presented model of the IDS is the result of evidence-based principles based on the analysis of the current diversity reporting of the EUROSTOXX50 analysis as well as expert interviews. It is therefore a highly practicable tool with elements that are already applied in practice and comply with the needs of organizations. However, the importance of change management in the organizational culture as well as motivated diversity managers were repeatedly mentioned in the expert interviews and should therefore be considered as critical success factors for the target achievement of diversity goals and must therefore be implemented by any means. Further concerns in the course of the research process emerged. DM is facing the challenge of possible discrimination effects. A transparent display of diversity in organizations might cause controversies in organizations where more conservative mindsets exist. Extensive change management directed towards a

cultural change needs to be implemented to prevent and discourage discriminating behavior. Moreover, the definition of the dimension culture, ethnicity, and nationality is difficult to determine in a globalized working environment. Double nationalities, expat contracts, migration backgrounds, and a diverse family history for instance make it hard to define the “main” nationality of employees. Another core challenge is the gathering, storing, and sharing of diversity data. Compliance with international and regional data protection regulations needs to be assured at any time. The IT systems are required to be set up accordingly. As the interview partners stated, organizations are currently lacking diversity data and need to set up new reporting processes. One possibility are self-reporting employee surveys. Thereby a high response rate must be ensured to reflect a realistic representation.

6. Limitations and Recommendations for Further Research

The presented research underlies the following limitations: As the analysis of the diversity reporting only covers published information, the results might not depict the full extension of the reality in organizations. Further internal information about the data and reporting process as well as internally reported KPIs would have been needed. Moreover, the data of the diversity reporting analysis is highly unstructured and was standardized whereby more detailed information got lost. Regarding the qualitative analysis, the definition of interview partners was difficult since there is no cross-function between DM and strategic management accounting. Therefore, the interviews were either conducted with a focus on DM or MCS depending on the position of the interview partner. As the qualitative analysis showed, local legal regulations and requirements on quotas and diversity reporting as well as limitations in data sets due to IT systems and data privacy regulations have a high impact on diversity reporting. Those aspects were not covered in the literature review and therefore also not anticipated in the analysis.

As with most inductive research, the presented results of this work project need to be further investigated. Quantitative research that examines the design for the IDS could be conducted to get a comprehensive view of the preferred design options and complement and support the qualitative research. Furthermore, the model of the IDS needs to be tested in organizations to verify the applicability. Thereby the effect of further moderating variables like company size or industry on the applicability of the IDS could be assessed.

In summary, it is surprising that the reporting of diversity measures is still limited as literature and the interview partners stress the relevance and currency of the topic. External factors rather than intrinsic motivations seem to be the main drivers for diversity which consequently leads to a lack of internal commitment and structure. Further, it remains uncertain how legal regulations and data issues will affect the extent of diversity reporting in the future. However, the expert interviews disclosed the necessity of an integrated reporting approach for DM to ensure a successful implementation of DM practices. The IDS complies perfectly with these requirements as it is not solely a MCS for performance measurement but also serves as a communication tool that contributes to the recommended awareness and cultural change the topic needs.

References

- Abels, Gabriele, and Joyce Marie Mushaben. 2012. *Gendering the European Union*. Houndmills/Basingstok: Palgrave Macmillan.
- Amstutz, Nathalie, and Catherine Müller. 2013. "Diversity Management." In *Handbuch Angewandte Psychologie für Führungskräfte*, edited by Thomas Steiger, 775-796. Berlin, Heidelberg: Springer.
- Apfelbaum, Evan P., Nicole M. Stephens, and R. E. Reagans. 2016. "Beyond one-size-fits-all: Tailoring diversity approaches to the representation of social groups." *Journal of Personality and Social Psychology* 111 (4): 547–566. doi:10.1037/pspi0000071.
- Arredondo, Patricia. 1996. *Successful diversity management initiatives: A blueprint for planning and implementation*. Thousand Oaks, London, New Delhi: Sage Publications.
- Baldini, Maria, Lorenzo Dal Maso, Giovanni Liberatore, Francesco Mazzi, and Simone Terzani. 2018. "Role of Country- and Firm-Level Determinants in Environmental, Social, and Governance Disclosure." *Journal of Business Ethics* 150 (1): 79–98. doi:10.1007/s10551-016-3139-1.
- Basset-Jones, Nigel. 2005. "The Paradox of Diversity Management, Creativity and Innovation." *Creativity and Innovation Management* 14 (2): 169-175. doi:10.1111/j.1467-8691.00337.x.
- Bleijenbergh, Inge, Pascale Peters, and Eric Poutsma. 2010. "Diversity management beyond the business case." *Equality, Diversity and Inclusion* 29 (5): 413-421. doi:10.1108/02610151011052744.
- Bryman, Alan, and Emma Bell. 2011. *Business Research Methods*. Oxford: Oxford University Press.
- Cox, Taylor. 1993. *Cultural Diversity in Organizations; Theory, Research & Practice*. San Francisco: Berrett-Koehler.
- Deloitte. 2019. "2019 Deloitte Millennial Survey: A generation disrupted." Accessed October 2020. <https://www2.deloitte.com/de/de/pages/innovation/contents/millennial-survey-2019.html>.
- Dobbin, Frank, and Alexandra Kalev. 2016. "Why diversity programs fail." *Harvard Business Review*. <https://hbr.org/2016/07/why-diversity-programs-fail>.
- Duarte, Fernando. 2020. "Black Lives Matter - Do companies really support the cause?" *bbc.com*. Accessed June 2020. <https://www.bbc.com/worklife/article/20200612-black-lives-matter-do-companies-really-support-the-cause>.
- Dwyer, Sean, Orlando C. Richard, and Ken Chadwick. 2003. "Gender diversity in management and firm performance: the influence of growth orientation and organizational culture." *Journal of Business Research* 56 (12): 1009-1019. doi:10.1016/S0148-2963(01)00329-0.
- Feintzeig, Rachel. 2020. "Your company says diversity is a higher priority. Now what?" *The Wallstreet Journal*. Accessed July 2020. <https://www.wsj.com/articles/your-company-says-diversity-is-a-higher-priority-now-what-11595163600>.

- Gardenswartz, L., and A. Rowe. 2010. *Managing Diversity: A Complete Desk Reference & Planning Guide*. Alexandria: Society for Human Resource Management.
- Hermann-Pillath, Carsten. 2009. "Diversity Management und diversitätsbasiertes Controlling: Von der "Diversity Scorecard" zur "Open Balanced Scorecard"." In *Controlling zwischen Shareholder Value und Stockholder Value*, edited by Regina W. Schröder Friederike Wall, 149 - 176. München: Oldenbourg Verlag.
- Herring, Cedric. 2009. "Does Diversity Pay?: Race, Gender, and the Business Case for Diversity." *American Sociological Review* 72 (2): 208-224.
<https://www.jstor.org/stable/27736058>.
- Holton, Viki. 2005. "Diversity reporting: how European business is reporting on diversity and equal opportunities." *Women in Management Review* 20 (1): 72-77.
doi:10.1108/09649420510579586.
- Hubbard, Edward. 2004. *The Diversity Scorecard: Evaluating the Impact of Diversity on Organizational Performance*. New York, USA: Butterworth-Heinemann.
- Jain-Link, Pooja, Julia Taylor Kennedy, and Trudy Bourgeois. 2020. "Strategies for creating an inclusive workplace." *Harvard Business Review*. Accessed August 2020.
<https://hbr.org/2020/01/5-strategies-for-creating-an-inclusive-workplace>.
- Kaplan, R. S., and D. P. Norton. 1993. "Putting the Balanced Scorecard to Work." *Harvard Business Review*. Accessed October 2020. <https://hbr.org/1993/09/putting-the-balanced-scorecard-to-work>.
- Kaplan, R. S., and D. P. Norton. 2001. *The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Competitive Environment*. Boston: Harvard Business School Press.
- Kaplan, R. S., and D. P. Norton. 1992. "The Balanced Scorecard: Measures that drive Performance." *Harvard Business Review*. Accessed October 2020.
<https://hbr.org/1992/01/the-balanced-scorecard-measures-that-drive-performance-2>.
- Kaplan, R. S., and D. P. Norton. 1996. *The Balanced Scorecard: Translating Strategy into Action*. Boston: Harvard Business School Press.
- Kaplan, Robert S. 2010. *Conceptual Foundations of the Balanced Scorecard*. Boston: Harvard Business School Press
- Kaplan, Robert S., and David P. Norton. 2001. "Transforming the Balanced Scorecard from Performance Measurement to Strategic Management: Part II." *Accounting Horizons* 15 (2): 147-160.
- Klein-Ellinghaus, Funda, Sinja Alexandra Ernst, and Nataliya Makarova. 2016. "How foreign language interviews should be translated? A comparison of three translation." *Young Research - Zeitschrift für Nachwuchswissenschaftler/innen* 9 (1): 5-16.
- Kochan, T., et al. 2003. "The effects of diversity on business performance: Report of the diversity research network." *Human Ressource Management*, 41 (2): 3-21.
doi:10.1002/hrm.10061
- Loden, M. 1996. *Implementing Diversity*. New York: McGraw-Hill.
- McKinsey & Company. 2015. "Diversity Matters." Accessed September 2020.
<https://www.mckinsey.com/~media/mckinsey/business%20functions/organization/our%20insights/why%20diversity%20matters/diversity%20matters.pdf> (accessed 10 19, 2020).

- Motel, Laura. 2016. "Increasing diversity through goal-setting in corporate social responsibility reporting." *Equality, Diversity and Inclusion*, 35(5/6): 328-349. doi:10.1108/EDI-01-2016-0005.
- Müller, Catherine, and Gudrun Sander. 2005. *Gleichstellungs Controlling - Das Handbuch für die Arbeitswelt*. Zürich: ETH Zürich.
- Pedulla, David. 2020. "Diversity and Inclusion efforts that really work." *Harvard Business Review*. Accessed August 2020. <https://hbr.org/2020/05/diversity-and-inclusion-efforts-that-really-work>.
- Pless, N., and T. Maak. 2004. "Building an Inclusive Diversity Culture: Principles, Processes and Practice." *Journal of Business Ethics*, 54: 129–147. <https://doi.org/10.1007/s10551-004-9465-8>.
- Prof. Dr. Nathalie Amstutz, Catherine Müller. 2013. "Diversity Management." In *Handbuch Angewandte Psychologie für Führungskräfte*, edited by Thomas Steiger and Eric Lippmann, 360-380. Berlin, Heidelberg: Springer.
- Riven, Paul R. 2006. *Balanced Scorecard Step-By-Step: Maximizing Performance and Maintaining Results*. New Jersey: John Wiley & Sons, Inc.
- Robinson, Gail, and Kathleen Dechant. 1997. "Building a business case for diversity." *Academy of Management Perspectives* 11 (2): 21-31. <https://www.jstor.org/stable/4165408>.
- Rowley, J. 2012. "Conducting research interviews." *Management Research Review* 35 (3/4): 260-271. doi:10.1108/01409171211210154.
- Sania, Usmani, Kumari Kalpina, and Hussain Javed. 2015. "Diversity, Employee Morale and Customer Satisfaction: The Three Musketeers." *Journal of Economics, Business and Management* 3 (1): 11-18. doi:10.7763/JOEBM.2015.V3.147.
- Saunders, Mark, Philip Lewis, and Adrian Thornhill. 2012. *Research Methods for Business Students*. Harlow, England: Pearson Education.
- United Nations. n.d. Accessed October 2020. <https://www.un.org/sustainabledevelopment/development-agenda/>.
- Wijk, Sonja Floeter-van. 2007. "The Gender Balanced Scorecard. A management tool to achieve gender mainstreaming in organizational culture." *Zeitschrift für Personalforschung / German Journal of Research in Human Resource Management*, 21 (4): 486-489. <https://doi.org/10.1177/239700220702100451>.
- Wittbom, Eva Elisabeth. 2015. "Management control for gender mainstreaming – a quest of transformative norm breaking." *Journal of Accounting & Organizational Change*, 11 (4): 527-545. doi:10.1108/JAOC-08-2012-0069.
- Wullert, Katie, Shannon Gilmartin, and Caroline Simard. 2019. "The Mistake Companies Make When They Use Data to Plan Diversity Efforts." *Harvard Business Review*. Accessed October 2020. <https://hbr.org/2019/04/the-mistake-companies-make-when-they-use-data-to-plan-diversity-efforts>.
- Yang, Yang, and Alison Konrad. 2014. "Gender Diversity, Business Strategy, and Organizational Performance." *Academy of Management Proceedings* 2014 (1): 14319-14319. doi:10.5465/AMBPP.2014.14319abstract.

List of Abbreviations

Abbreviation	Explanation
BSC	Balanced Scorecard
CSR	Corporate Social Responsibility
DM	Diversity Management
DSC	Diversity Scorecard
ESG	Environmental, Social and Governance
IDS	Integrated Diversity Scorecard
IP	Interview Partner
KPI	Key Performance Indicator
MCS	Management Control System
OBSC	Open Balanced Scorecard
RQ	Research Question
SDG	Sustainable Development Goals

Appendices

Appendix 1: Evaluation sheet diversity reporting

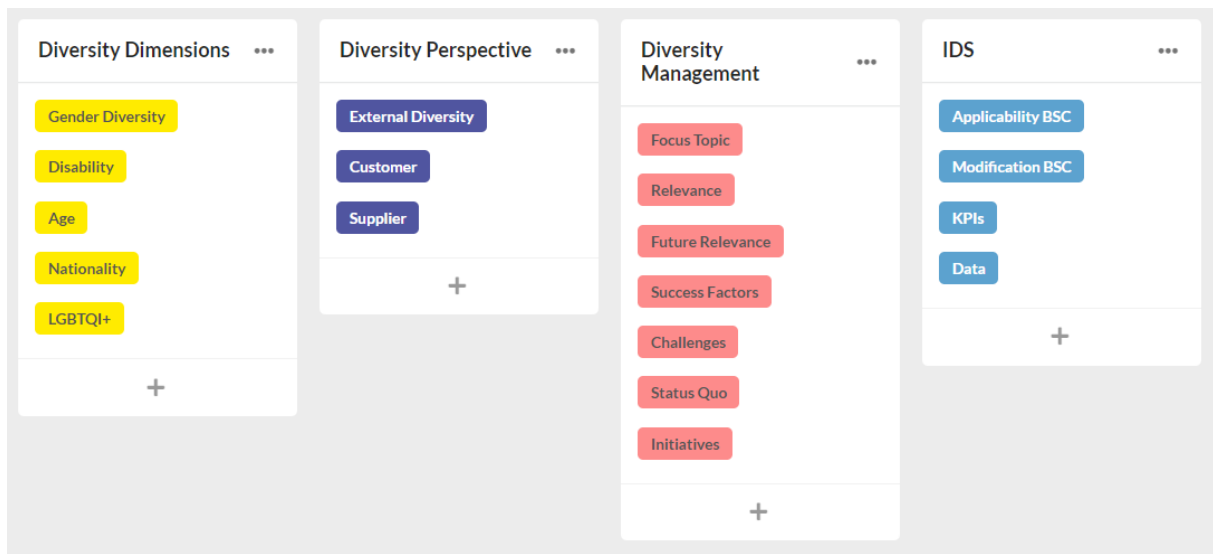
Key Facts	Company Name
	Revenue (in 2019)
	Industry
	Country of Head office
	Number of Employees (in 2019)
Diversity Management and Diversity Initiatives	Does the company have a separate section for diversity and inclusion on its website?
	Does the company communicate a diversity strategy?
	Which diversity dimensions are included? - General - Gender - Age - Nationality - Sexual Identification / Sexual Orientation - Disabilities - Other
	Which diversity perspectives are included? - Employees - Customers - Suppliers - Others
	Is the company communicating Diversity Management Initiatives?
	Which diversity dimensions are included? - General - Gender - Age - Nationality - Sexual Identification / Sexual Orientation - Disabilities - Other
	Which diversity perspectives are included? - Employees - Customers - Suppliers - Others
Diversity Reporting	Does the company have a Diversity Report?

	Does the company include Diversity KPIs in its CSR Report?
	Does the company include Diversity KPIs in its Annual Report?
	KPIs published on Website?
	Which diversity dimensions are included? <ul style="list-style-type: none"> - Gender - Age - Nationality - Sexual Identification / Sexual Orientation - Disabilities - Other
	Which diversity perspectives are included? <ul style="list-style-type: none"> - Employees - Customers - Suppliers - Others
	List of Reported KPIs Internal Diversity <ul style="list-style-type: none"> - Gender - Age - Nationality - Sexual Identification / Sexual Orientation - Disabilities - Other External Diversity <ul style="list-style-type: none"> - Customer - Suppliers - Others

Appendix 2: Interview guide semi-structured expert interviews

Introduction	<ul style="list-style-type: none"> ▪ Permission for recording ▪ Current position ▪ Short introduction to topic of the research
Diversity Management	<ul style="list-style-type: none"> ▪ How do you assess the strategic relevance of DM? ▪ What are your current DM practices? ▪ Which diversity dimensions (e.g. gender, nationality, disabilities, LGBTQ+) are included? ▪ In your opinion, how do you assess the extension of DM from internal diversity (workforce diversity) to external diversity (customers, suppliers, etc.)? ▪ From your experience, what are factors for the successful implementation of DM strategies
Diversity Reporting	<ul style="list-style-type: none"> ▪ In your opinion, how do you evaluate the quantification of diversity strategies? ▪ Which diversity dimensions are included in the diversity reporting? ▪ Which KPIs are you reporting? ▪ What challenges are occurring in diversity reporting?
BSC for Diversity Management	<ul style="list-style-type: none"> ▪ Which advantages/disadvantages do you see in the application of the BSC for the implementation of strategies? ▪ Do you think the BSC could be an instrument for DM? ▪ Which adjustments of the traditional BSC would facilitate the application in DM? ▪ What challenges could arise in the implementation of an Integrated Diversity Scorecard?
Outlook	<ul style="list-style-type: none"> ▪ How do you assess the future relevance of DM? ▪ How do you assess the future (external) reporting on DM?

Appendix 3: Overview themes and tags qualitative analysis



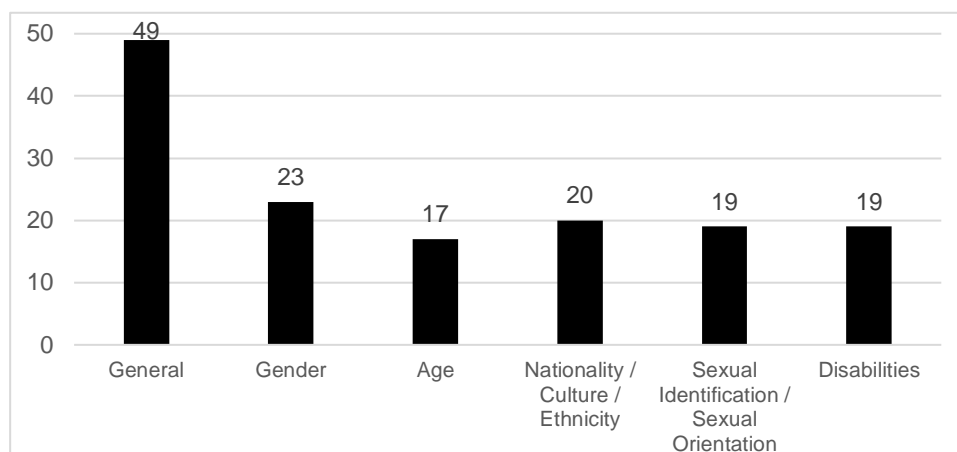
Appendix 4: Overview themes qualitative analysis

Interview #	Date	Duration	Format	Position IP
1	01.12.2020	32min	Microsoft Teams	Head of Controlling, Diversity Manager
2	01.12.2020	30min	Microsoft Teams	Venture Development Manager
3	04.12.2020	28min	Microsoft Teams	Management Consultant HR
4	08.12.2020	18min	Phone Call	Manager Finance Governance
5	09.12.2020	30min	Microsoft Teams	Global Inclusion & Diversity and Culture Specialist
6	11.12.2020	22min	Phone Call	Corporate Diversity & Inclusion Advisor
7	21.12.2020	28min	Microsoft Teams	Program and Change Manager

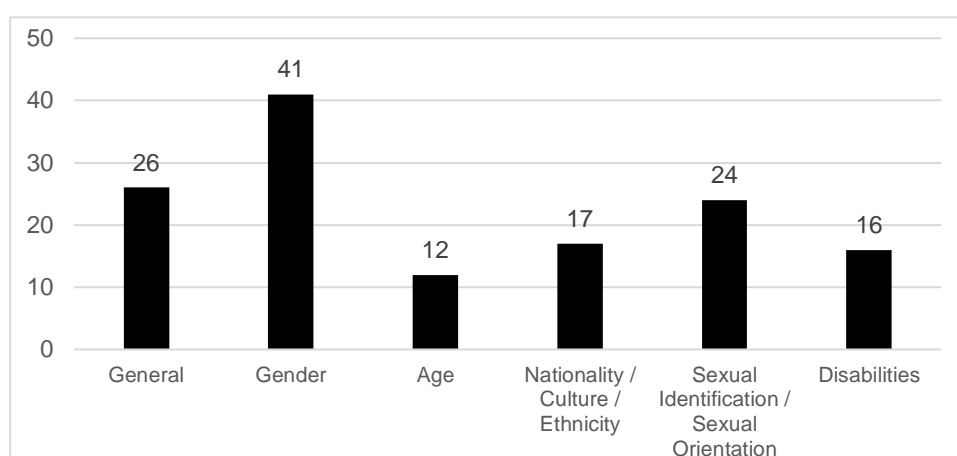
Appendix 5: Results diversity reporting analysis

Diversity Management and Diversity Initiatives	Does the company have a separate section for diversity and inclusion on its website?	39
	Does the company communicate a diversity strategy?	49
	Which diversity dimensions are included?	
	- General	49
	- Gender	23
	- Age	17
	- Nationality	20
	- Sexual Identification / Sexual Orientation	19
	- Disabilities	19
	- Other	0
	Which diversity perspectives are included?	
	- Employees	49
	- Customers	8
	- Suppliers	4
	- Others	0
	Is the company communicating Diversity Management Initiatives?	48
	Which diversity dimensions are included?	
	- General	26
	- Gender	41
	- Age	12
	- Nationality	17
	- Sexual Identification / Sexual Orientation	24
	- Disabilities	16
	- Other	0
	Which diversity perspectives are included?	
	- Employees	48
	- Customers	5
	- Suppliers	3
	- Others	0
Diversity Reporting	Does the company have a Diversity Report?	3
	Does the company include Diversity KPIs in its CSR Report?	32
	Does the company include Diversity KPIs in its Annual Report?	44
	KPIs published on Website?	22
	Which diversity dimensions are included?	
	- Gender	46
	- Age	25
	- Nationality	23
	- Sexual Identification / Sexual Orientation	1
	- Disabilities	11
	- Other	0
	Which diversity perspectives are included?	
	- Employees	46
	- Customers	4
	- Suppliers	1
	- Others	0

Appendix 6: Distribution of diversity strategies by diversity dimension



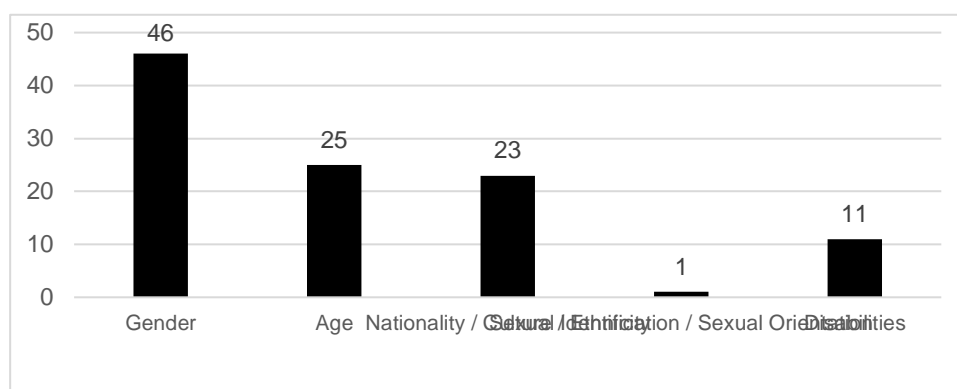
Appendix 7: Distribution of diversity initiatives by diversity dimension



Appendix 8: Distribution diversity strategy and initiative by diversity perspective

Diversity Strategy and Initiative by Perspective	Strategy	Initiatives
Employees	49	48
Customers	8	5
Suppliers	4	3
Communities	2	4
Shareholders	1	1

Appendix 9: Distribution diversity performance measures by diversity dimension



Appendix 10: Overview KPIs diversity reporting analysis

Reported KPIs	No.
Internal Diversity	
Gender	
Gender Ratios	
Overall Workforce	44
Board	6
Management Level	29
Employee Selection Progress	1
New Hires	8
Layoffs	3
Parental Leave	6
Employment Type	3
Product Group	1
Gender Pay Gap	4
Women in mentoring programme	1
Age	
Age distribution	
Overall Workforce	20
Board	5
Per Management Level	0
New Hires	1
Average Age	
Overall Workforce	3
Per Management Level	0
Nationality	
Number of Nationalities	
Overall Workforce	15
Board	2
Per Management Level	2
Nationality Distribution	

Overall Workforce	3
Per Management Level	0
Disabilities	
Number of Employees with Disabilities	
Overall Workforce	10
Management Level	1
Others	
Number of college graduates	1
Employee survey diversity perception	1
Hours of diversity training	2
Percentage / Number of employees trained in diversity	4
Number or reported incidents	2
Number of employee networks	2
External Diversity	
Customer	
Gender Ratio	3
Age Distribution	6
Number of Nationalities	3
Suppliers	
Number of Employees with Disabilities	4